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S E C R E T SECTION 01 OF 03 TEGUCIGALPA 000065

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E.O. 12958: DECL: 01/25/2020
TAGS: [PGOV](#) [KDEM](#) [PREL](#) [PHUM](#) [HO](#)
SUBJECT: AMBASSADOR'S DISCUSSIONS WITH PRESIDENT ELECT
LOBO, PRESIDENT ZELAYA AND PRESIDENT ARIAS

REF: TEGUCIGALPA

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Classified By: Ambassador Hugo Llorens, reason 1.4 (b & d)

11. (S/NF) Summary: The Ambassador had a series of meetings and discussions over the past weekend with President-elect Porfirio "Pepe" Lobo, President Manuel "Mel" Zelaya, and Costa Rican President Oscar Arias. Lobo briefed the Ambassador on his diplomatic efforts of the past week with both Presidents Fernandez and Colom. He said his visits to the Dominican Republic and to Guatemala had gone well and he had been well received in both countries. He discussed the agreement negotiated with Fernandez to provide safe passage for Zelaya out of the Brazilian Embassy and to be escorted by Fernandez to the Dominican Republic. He confirmed that President Colom would also be in Tegucigalpa on January 27. Lobo discussed his planned cabinet appointments and policy priorities, and the creation of a government of national unity. Zelaya told us that he supported the Fernandez-Lobo pact allowing him to be able to leave Honduras with several members of his family. President Arias is not likely to attend the inaugural ceremony expressing disappointment that Lobo had been unable to convince regime leader Roberto Micheletti to resign. However, Arias made clear that he would recognize the Lobo government and would work closely in support of the new Honduran government. End Summary.

Meeting with President-elect Lobo

12. (S) The Ambassador and Honduran President-elect Porfirio "Pepe" Lobo met for coffee at the residence on January 23 and reviewed the latest political and diplomatic developments. The meeting took place in the wake of Micheletti's January 20 decision to take a leave of absence and Lobo's own successful diplomatic trips to the Dominican Republic to meet Dominican President Lionel Fernandez and to Guatemala for a meeting with Guatemalan President Colom. The following are the main elements of the discussion:

13. (S/NF) Visit to the Dominican Republic: Lobo said he was very pleased with the results of his January 19 visit to the Dominican Republic. He expressed great appreciation for U.S. support for the efforts by President Fernandez to resolve the issue of President Zelaya's presence in the Brazilian Embassy in Tegucigalpa. He discussed the written agreement he had reached with Fernandez whereby Fernandez and Colom would be in Honduras on January 27 to possibly attend his inauguration and then pick-up Zelaya at the Brazilian Embassy and escort him out of the country. Lobo said that Zelaya would go with Fernandez to the Dominican Republic and stay there for a time, but that his longer term plan was to settle in Mexico. Lobo said he was committed to providing safe passage to Zelaya to leave the Embassy and said he had discussed the legal aspects with Attorney General Rubi, since Zelaya faced criminal charges in Honduras. Lobo noted that Rubi had agreed to find a constructive legal way to get this done. Lobo (please protect) described Fernandez as a "real operator" but very effective. He mentioned that Fernandez had asked him to consider rejoining ALBA saying that such an action would help ease the process of Honduran reintegration in the Inter-American system. Lobo responded that while he would attempt to maintain the Petro Caribe arrangement that provided favorable credit terms from Venezuela for the purchase of hydrocarbons products, he had no intention of bringing Honduras back into the Bolivarian alliance.

14. (S/NF) Political Amnesty: Lobo said he remained committed to securing political amnesty for all of the players involved in the Honduran political and constitutional crisis, including Zelaya, Micheletti, and the Honduran military. He believed that securing political amnesty legislation provided a platform of stability that would facilitate the work of the Truth Commission. He said approval of this legislation would

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be the first task of the act of National Party controlled Congress.

15. (S/NF) Visit to Guatemala: Lobo said that he had just returned from a successful January 21 visit to Guatemala for a meeting with President Colom. He said President Colom had been very friendly and eager to establish a close working relationship with his new government. Colom committed to attend the inaugural ceremony in some manner. Colom was considering arriving at the stadium and formally recognizing Lobo's presidency as soon as Lobo had taken the oath from the new Congress President Juan Orlando Hernandez. He said that Colom had committed himself to attempt to convince Fernandez and possibly Funes to also participate in the inaugural festivities in some way and not just be available to escort Zelaya out of the country.

16. (S/NF) Presidential Appointments: Lobo said he was also focused on completing the creation of his cabinet. He noted that former Ambassador to the U.S. (during the Maduro Administration) Mario Canahuati would be his foreign minister. He said that Canahuati had the experience and knowledge of the U.S. to serve as his senior foreign policymaker. Lobo also said that he would be appointing technocrats William Chong Wong and Maria Elena Mondragon to serve as Minister of Finance and Central Bank President, respectively. He noted that Chong and Mondragon had held these positions in the Maduro Administration as well. He stressed the severity of the Honduran economic downturn required a veteran team with strong executive experience. The Ambassador mentioned his meeting with Treasury Deputy Assistant Secretary Nancy Lee and the importance of beginning a policy dialogue with his economic team as soon as possible. The Ambassador mentioned that he was aware that Chong Wong and Mondragon had already met with Lee in Washington on January 22.

17. (S/NF) Lobo discussed lobbying by outgoing Defense Chief General Romeo Vasquez Velasquez for the minister of defense. Both agreed that although Vasquez Velasquez had been helpful

in efforts to implement the Tegucigalpa-San Jose Accord his direct links to the coup made it impossible for him to remain in the military chain of command. Lobo said he had offered the General a position in government such as the National Electric Company (ENEE) where his executive and managerial ability would be helpful. The Ambassador noted that appointing individuals to senior cabinet positions that had direct links to the coup would harm his government and his own efforts to restore strong ties with the international community.

18. (S/NF) Lobo said he was very pleased that we had been able to convince Democratic Unification leader Cesar Ham to join his government. Ham would be appointed as Director of the National Agrarian Institute, which is a powerful government agency responsible for land tenure policy and ties to the campesino movement. Lobo said Ham's participation in addition to Christian Democrat presidential candidate Felicito Avila (appointed Minister of Labor), PINU standard bearer Bernard Martinez (Minister of Culture), as well as a Liberal Party member, would ensure a strong multi-party representation in his government. Lobo thanked the Ambassador for our active encouragement of Ham, Avila and Martinez to support the new government.

Conversation with President Arias:

19. (S/NF) The Ambassador spoke to President Arias just prior to his meeting with Lobo. Arias reiterated that he was somewhat disappointed with Lobo since he did not believe he had been forceful enough in getting regime leader Micheletti to resign. He said he had already vowed not to attend the inauguration and it would be difficult for him to change his

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position now. The Ambassador told Arias that no one had done more to seek to restore the constitutional order and to achieve a negotiated and peaceful solution to the crisis than he had. The Ambassador pointed out that Honduras continued to need his support and guidance. The Ambassador said that the U.S. would be sending an official delegation to the inauguration that would probably be led by Assistant Secretary Arturo Valenzuela. The Ambassador also briefed Arias on the Fernandez agreement with Lobo to get Zelaya to leave the Brazilian Embassy and travel to the Dominican Republic on January 27. Arias responded that the U.S. presence would be positive and help other countries engage at least after Lobo assumes office. Arias said he would take our views into account in terms of Costa Rican participation in the inauguration, but would most likely ask his ambassador to attend the ceremony. The idea of going to the Brazilian Embassy and escorting Zelaya out of the country was somewhat intriguing to him, but he made no commitments. Arias made clear he intended to recognize the newly-elected government and work constructively with Lobo. He said he was thinking of inviting Lobo to visit Costa Rica soon after he assumes office. (Note: While the Ambassador was speaking to Arias, Lobo came to the Residence and Arias expressed interest in speaking directly to Lobo. The two chatted amiably for 8-10 minutes. Lobo attempted to convince Arias to attend his inauguration and said he intended to provide special recognition for Arias at the ceremony for his crucial role in seeking to resolve the crisis. Lobo said that even if he did not attend, he hoped to invite him to Tegucigalpa in the near future and honor him in some way.

Conversation with President Zelaya:

110. (S/NF) The Ambassador called President Zelaya to reconfirm that the U.S. would be sending an official delegation to attend the inauguration. The Ambassador noted that we expected A/S Valenzuela to lead our delegation that

might also include NSC Senior Director Dan Restrepo Assistant Secretary for Economic Affairs Jose Fernandez and PDAS Craig Kelly. The Ambassador told Zelaya that our delegation would be seeking a meeting with him probably on Tuesday. Zelaya said it would be good for the U.S. to be present in Honduras for the inauguration and he looked forward to the meeting with Valenzuela and the U.S. delegation. He confirmed that he was fully supportive of the Fernandez-Lobo pact and that he planned to leave Honduras for the Dominican Republic on January 27. Zelaya claimed he had encouraged UD leader Cesar Ham to join Lobo's government of national unity, which he believed was essential to ensure peace and harmony.

LLORENS